

BURKE, WILLIAMS & SORENSEN, LLP
Richard J. Reynolds, Bar No. 89911
Rafael R. Garcia-Salgado, Bar No. 283230
1851 East First Street
Suite 1550
Santa Ana, CA 92705-4067
Telephone: 949.863.3363
Facsimile: 949.863.3350

Attorneys for Creditor
TRINITY FINANCIAL SERVICES, LLC

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES

MAE E. WOOD,

Debtor,

Case No. 2:18-bk-10399-NB

Chapter Number: 13

**CREDITOR TRINITY FINANCIAL
SERVICES, LLC'S OBJECTION TO
CONFIRMATION OF PLAN**

[11 U.S.C. § 506(d)]

Date: April 5, 2018
Time: 9:30 a.m.
Ctrm: 1545

Secured Creditor Trinity Financial Services, LLC ("Trinity") hereby objects (the
"Objection") to confirmation of the Debtor's proposed Chapter 13 Plan [Dkt. No. 2] (the "Plan")
in the above-referenced matter.¹ This Objection is based on the authorities cited herein and on
such additional submissions and argument as may be presented at or before the confirmation
hearing. In support of its Objection, Trinity respectfully states as follows:

¹ Trinity is objecting to the Plan late due to the Debtor's failure to serve creditors with the Plan properly. *See* Docket No. 16 at 4.

1 **I. INTRODUCTION**

2 The Debtor's creditors have been parked in bankruptcy court for the better part of a year,
3 and this case is no closer to confirmation. Trinity requests that the Court deny confirmation of
4 the Debtor's Plan, as it is not proposed in good faith, and not feasible in any event. For the
5 reasons set forth herein, the Court should deny confirmation of the Plan and grant the Motion to
6 Dismiss.

7 **II. ARGUMENT**

8 1. The provisions of 11 U.S.C. § 1325 set forth the requirements for the Court to
9 confirm a Chapter 13 Plan. The burden is on the debtor to demonstrate that the plan meets the
10 conditions essential for confirmation. *Warren v. Fidelity & Casualty Co. of N.Y. (In re Warren)*,
11 89 B.R. 87, 93 (B.A.P. 9th Cir. 1988). For the reasons detailed herein, the Debtor fails to meet
12 this burden.

13 **A. The Plan is Internally Inconsistent**

14 2. The Debtor has checked the box in Section 1.1 of the Plan indicating she intends to
15 avoid a lien. However, in Section IV of the Plan, she contradicts herself in requesting avoidance
16 through the Plan while also indicating she will also file a separate lien avoidance motion. As the
17 Debtor has failed to file a separate lien avoidance motion, she cannot avoid Trinity's lien. She
18 has also failed to attach to the Plan the necessary supporting documentation for avoidance
19 through the Plan. Accordingly, the Plan's request for lien avoidance or bifurcation must be
20 denied.

21 **B. The Plan Cannot Be Confirmed Because It Does Not Provide for the Full
22 Value of Secured Creditors' Claims**

23 3. 11 U.S.C. § 1325(a)(5)(B)(ii) requires a debtor's Chapter 13 Plan to distribute at
24 least the allowed amount of a creditor's secured claim. *See* 11 U.S.C. § 1325(a)(5)(B)(ii).
25 Furthermore, the requirement that a debtor provide for the full value of a creditor's secured claim
26 is mandatory for plan confirmation. *See Barnes v. Barnes (In re Barnes)*, 32 F. 3d 405, 407 (9th
27 Cir. 1994); *see also In re Lucas*, 3 B.R. 252, 253 (Bankr. S.D. Cal. 1980) ("In order to confirm
28 any Chapter 13 Plan, the court must be satisfied . . . that the plan meets all the requirements of §

1 1325(a).”). The burden lies with the debtor in demonstrating compliance with section 1325(a).
2 *Chinichian v. Campolongo (In re Chinichian)*, 784 F. 2d 1440 (9th Cir. 1986).

3 4. Trinity filed its Proof of Claim on account of its secured claim. The Debtor’s
4 Schedule D also indicates Trinity’s lien is supported by value in the Debtor’s real property.
5 [Docket No. 1 at 20]. Accordingly, the Plan must provide for the cure of the prepetition
6 arrearages on Trinity’s claim in the amount of \$37,877.03, while also providing for maintenance
7 payments on Trinity’s secured lien.

8 5. The Plan in this case improperly proposes bifurcation of Trinity’s secured claim
9 without meeting the requirements therefor. The Debtor has classified Trinity’s claim as paid in
10 full in the amount of \$61,034.79. However, Trinity’s secured claim is in the amount of
11 \$96,518.57. [Claim No. 2-1]. Accordingly, the Plan does not sufficiently treat Trinity’s secured
12 claim, and the Plan cannot be confirmed.

13
14 **III. CONCLUSION**

15 Based on the foregoing, the Plan cannot be confirmed as proposed. Trinity also reserves
16 its rights to object to the Plan further pending further filings in this case.

17 Dated: March 29, 2018

BURKE, WILLIAMS & SORENSEN, LLP

18
19 By: 

20 Richard J. Reynolds
21 Rafael R. Garcia-Salgado
22 Attorneys for Creditor
23 TRINITY FINANCIAL SERVICES, LLC
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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

1851 East First Street, Suite 1550, Santa Ana, California 92705-4067

A true and correct copy of the foregoing document entitled (*specify*):

**CREDITOR TRINITY FINANCIAL SERVICES, LLC'S OBJECTION TO
CONFIRMATION OF PLAN**

will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*)

03/29/18, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- **Camaray D Callier-Henderson** chenderson@mclaw.org, CACD_ECF@mclaw.org
- **Kathy A Dockery (TR)** efiling@CH13LA.com
- **Sean C Ferry** sferry@ecf.courtdrive.com, bkyecf@rasflaw.com
- **James D. Hornbuckle** jdh@cornerstonelawcorp.com
- **United States Trustee (LA)** ustpregion16.la.ecf@usdoj.gov

2. SERVED BY UNITED STATES MAIL:

On (*date*) **03/29/18**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Mae E. Wood

3016 W. 82nd Place
Inglewood, CA 90305

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE
TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to

F.R.Civ.P. 5 and/or controlling LBR, on (*date*) _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued
on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

03/29/18

Bernadette C. Antle

Date

Printed Name


Signature